3.3 Summary of Ports and Waterways Breakout Session

Conference on Updating the Louisiana Statewide Transportation Plan July 31 – August 1, 2000 New Orleans Marriott

This document summarizes the items discussed during the Ports and Waterways Breakout Session held on July 31 and August 1, 2000. This Breakout Session, which was one of the six sessions held for the various transportation modes, served as an important component of the first *Conference on Updating the Louisiana Statewide Transportation Plan* held at the New Orleans Marriott Hotel.

The primary purpose of this Breakout Session was to 1) review and validate the ports and waterways elements included in the 1996 *Louisiana Statewide Intermodal Transportation Plan (SITP)* and related benchmarks included in *Louisiana: Vision 2020*, and 2) identify new or additional strategic issues for consideration in the Plan Update. The related *SITP* items are attached.

Approximately 40 people attended the Breakout Session, which included industry representatives, government officials, and planning professionals.

The session began with a discussion of recommendations, which appeared in the initial *Statewide Intermodal Transportation Plan*. The ports and waterways component is fortunate that many of the initial recommendations have been implemented. However, it was believed that some of those implemented issues should remain in the plan and be revised to reflect a higher level of need. Regarding non-implemented issues, an effort was made to determine if they continue to be relevant at this time and if they should remain as recommendations in the revised *SITP*. The consensus was to leave the recommendations but to modify them to more accurately show current needs.

From that discussion the group moved into addressing new issues and initiatives that should be incorporated into the updated plan. Primary focus centered on rapidly developing technology and its impact on the needs of the industry. Technological advances in and expansion of drilling on the Outer Continental Shelf, larger vessel sizes, development of a North/South trade route, and proposed high-speed ferry systems are examples of how quickly and completely the industry is evolving. Louisiana's readiness to respond to these changes in a fast and efficient manner will determine its ability to retain and expand an existing market share for its extensive system of ports and waterways. A discussion of existing recommendations and newly proposed elements is summarized below.

M-1 Statewide Maritime Marketplace Initiatives

Coordinate Statewide Maritime Marketplace Initiatives through the Ports Association of Louisiana. Encourage Louisiana Inc. (formerly the LA Department of Economic Development) to actively and aggressively market Louisiana's maritime industry. Coordinate marketing initiatives with other entities that have marketing goals.

M-2 Port Infrastructure Investment

Increase funding for the Port Construction and Development Priority Program by \$5 million per year over the next 30 years. Additional funding is made necessary by: (1) the growing trade with Latin America and development of a substantial transportation demand on the North/South trade route, (2) the enormous impact of increased activity on the Outer Continental Shelf arising from the largest discovery of mineral resources in the history of the Gulf of Mexico, and (3) the need for highway and rail connectors to provide a more efficient and seamless Intermodal operation, especially while in the process of implementing the Millennium Port concept.

M-3 Public Port Landside Access Cost Sharing

Continue efforts to build on a cost sharing methodology (currently being developed by the LSU National Ports and Waterways Institute) to determine the appropriate allocation of costs to different funding sources for port landside improvements. Expand the methodology to include new evaluation criteria for non-revenue producing projects. This should recognize the benefits associated with these projects and should not jeopardize them due to their inability to produce a rate of return.

M-4 Waterway Improvements Requiring State Cost Sharing

This element consists of three recommendations:

- Support the initiative to change federal regulations (1) requiring cost sharing for deepening and maintaining channels beyond currently authorized levels and (2) concerning sources of funds for the harbor maintenance work.
- Establish a fund to provide a local cost sharing for bank stabilization feasibility studies on federally maintained channels
- Support implementation of the Inner Harbor Navigation Canal Lock as a deep draft facility

<u>I-6 Establish a Statewide Intermodal Transportation Economic Development Program for Industrial Recruitment and Expansion</u>

As in the previous *SITP*, it is recommended that this program be funded at \$3 million per year. The funds would be used to support projects such as a rail spur and/or access road to a new industrial plant, turn lanes at the driveway to a new regional warehouse/distribution center, or a frontage road for a new manufacturing facility. Funds remaining at the end of the year would be returned to the source.

New Issues and Initiatives

Outer Continental Shelf Activity

The transportation plan should reflect OCS activity and its impact on Intermodal and port facilities. Assist and encourage the Minerals Management Service to conduct a study that will enable the planned development of port and Intermodal facilities to service the offshore industry. This study should include demand, rapidly developing technological changes, and the ability to measure activities of the ports specializing in services and/or manufacturing for the offshore industry.

North/South Trade Corridor

Identify and define measures that can be taken to accommodate the expected increase in North/South container traffic during the planning period. Consider the Millennium Port concept as it is presently formulated but also evaluate other possible alternatives to accommodate container traffic at Louisiana's terminals.

High-Speed Ferries

Investigate deployment of high-speed coastal ferries to develop coastal shipping in Louisiana. A coastal shipping system can be effective for transportation of both international containers and domestic trailers. Implementation of this Intermodal operation may relieve congestion on Louisiana's highways (primarily I10), and provide opportunities for Louisiana's coastal and inland ports as well as the shipbuilding industry.

Inland Waterway System

Assure the adequacy of the Inland Waterway System to meet projected industry needs. Request an authorized depth of 12 feet on the shallow water portion of the Mississippi River. Review authorized depths on other waterways. Join the Upper Mississippi River Coalition to become more familiar with their needs and problems as they impact cargo flow on the Lower Mississippi River.

Intermodal/Multimodal Council

Create an Intermodal/Multimodal Council to deal with regulatory authorities and policies impacting transportation issues.

Connectors/Access

This group recognizes the importance of "connectors" as access to coastal and inland ports and other Intermodal facilities. Therefore, the plan should address the adequacy of existing connectors and should develop a follow-up program to deal with specific problems that may be identified.

In summary, this breakout session was very well attended and had a high degree of participation. The participants were well versed and ready to tackle difficult issues. The recommendations they made are timely and critical to an industry that continues to evolve. Most importantly, they have a strong desire to continue participation in this type of planning effort. Knowing that it would lead Louisiana's transportation industry for at least a decade, they placed a great deal of importance on the development of a strong, long reaching plan.